

August 14, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO ALLOCATE CABLE TV FRANCHISE FUND FOR
THE 44TH ANNUAL HOLIDAY CELEBRATION
(ALL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize a one-time funding allocation of \$170,000 for Fiscal Year 2003-2004 from the Cable TV Franchise Fund to replace loss of grant revenues for the 44th Annual Holiday Celebration and fund unavoidable cost increases associated with the production.
2. Approve the attached Appropriation Adjustment to transfer \$170,000 from the Cable TV Franchise Fund to the Arts Commission FY 2003-04 Budget to fully fund the 44th Annual Holiday Celebration production within the Arts Commission budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Last year for the first time, the annual Holiday Celebration aired on more than 44% of all Public Broadcasting Stations nationally, reaching more than 60% of the public television audience in the United States. PBS recognizes the program as an important celebration of diversity and has confirmed their commitment to air the 44th Holiday Celebration nationally again this December 25th.

The Arts Commission will not receive three sources of revenue originally budgeted to offset production and staffing costs for the 44th Annual Holiday Celebration: \$40,000 from the City of Los Angeles Cultural Affairs Department, \$50,000 from the National Endowment for the Arts, and \$30,000 from the California Arts Council. In addition, there have been unavoidable increases in costs for producing the national program and in union crew costs for both the live and television crews that averaged \$25,000 per year for last year's program and are projected at \$25,000 for this year.

Although the Arts Commission has aggressively pursued alternative efforts to raise the needed funds through private sector sponsorships, they are not in place. Production deadlines to insure an excellent 2003 Program mandate that production contracts be signed in September.

The proposed one-time allocation of \$170,000 from the Cable TV Franchise Fund will cover the shortfalls now projected for this year's program.

Implementation of Strategic Plan Goals

The recommended action is consistent with the County Strategic Plan Goal of Service Excellence, as it enables the continuation of a free cultural tradition of the highest caliber for more than 6,000 residents who attend the live production, as well as several hundred thousand more who watch the live broadcast of the full six-hour program on KCET.

FISCAL IMPACT/FINANCING

The Cable TV Franchise Fund has sufficient funding in the FY 2003-04 Budget to finance the requested allocation.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Cable TV Franchise Fund was utilized previously to fund the Holiday Celebration for five years, from FY 1992-93 through FY 1997-98. In 1995, the Chief Administrative Officer established written guidelines for use of the Cable TV Franchise Fund. The guidelines of allowable expenses include *"Broadcast-related programs (video and audio), including cable and public television, such as the Annual Holiday Program broadcast from the Music Center."*

The Honorable Board of Supervisors
August 14, 2003
Page Three

IMPACT ON CURRENT SERVICES

This allocation will enable the Annual Holiday Celebration to continue to be your Board's holiday gift to the residents of Los Angeles, as it has since 1957. Now, for the second year, millions of people across the country watching the one-hour highlight national program will also take part in the breath and depth of Los Angeles' cultural life.

Respectfully submitted,

LAURA ZUCKER
Executive Director

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors (22)

REQUEST FOR APPROPRIATION ADJUSTMENT NO.

BOARD OF SUPERVISORS

August 14, 2003

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2003-04(3 VOTES)SOURCES

Cable TV Franchise Fund

Services & Supplies

S01 - BS - 41059 - 2000

\$170,000

Arts Commission

Revenue - Operating Transfers In

A01 - BS - 28400 - 9911

\$170,000USES

Cable TV Franchise Fund

Other Financing Uses

S01 - BS - 41059 - 6100

\$170,000

Arts Commission

Services & Supplies

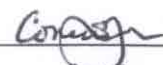
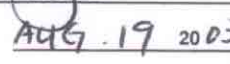
A01 - BS - 28400 - 2000

\$170,000JUSTIFICATION

Reflects the allocation from the Cable TV Franchise Fund to the Los Angeles County Arts Commission for the 44th Annual Holiday Celebration Program on PBS.


Marie Martinez, Chief, Fiscal Services

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR---	ACTION	APPROVED AS REQUESTED <input checked="" type="checkbox"/>	AS REVISED
<input checked="" type="checkbox"/>	RECOMMENDATION	Aug 20 2003	Robert L. Muench CHIEF ADMINISTRATIVE OFFICER
AUDITOR-CONTROLLER BY 	APPROVED (AS REVISED): BOARD OF SUPERVISORS	20	
NO. 28	BY  AUG 19 2003	DEPUTY COUNTY CLERK	